




Maricopa Integrated  
Health System



Joint Commission  
on Accreditation of Healthcare Organizations


# MIHS FY '05 Performance Improvement Plan

Maricopa County Board of Supervisors  
August 2004




Performance Improvement Goals

- ✍ **What we will achieve: Doing it Right!**
  - The right thing (Quality, Integrity, Compassion)
  - In the right place (Setting/Level of care)
  - At the right time (When the customer needs it)
  - In the right way (In concert w/ PI goals)
- ✍ **Why?**
  - Become a credit-worthy organization. Improve working capital and invest in OUR future.
  - Securing MMC's position in our market.
  - The culture needs to change: we need to raise the bar on performance.




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INTEGRATED  
HEALTH SYSTEM  
Caring for our community



## Performance Improvement Goals


- ✍ Targeting \$30 M improvements through:
  - Supply chain = \$7 M
  - Productivity improvements = \$7 M
  - New/Improved Revenue = \$8 M
  - Process/IT Improvements = \$8 M
- ✍ What guides our process: decisions and actions that will improve MMC for patients.




## Achieving Performance Improvement

- ✍ Strengthen management/organizational infrastructure: Interims or new hires in key areas, including:
  - Chief Executive Officer
  - Chief Financial Officer
  - Chief Nursing Executive
  - Chief Information Officer
  - VP of Human Resources
  - VP Revenue Cycle
  - Director, Quality and Education
  - Director, Burn, Trauma and Emergency Room







## Achieving Performance Improvement

 **Strengthen management/organizational infrastructure: oversight and direction by consultants in key areas, including:**


- Financial planning and analysis
- Cost accounting and decision support
- Supply chain
- Revenue cycle
- Care management
- Nursing office and staffing
- Information technology
- Business development
- Behavioral Medicine
- Patient flow






## Achieving Performance Improvement



	Target	Identified/Being Implemented	Percent of Total
<b>New/Enhanced Revenue (including revenue cycle)</b>	\$8 M	\$5.2 M	65%
<b>Supply Chain</b>	\$7 M	\$6.6 M	94%
<b>Productivity Improvements</b>	\$7 M	\$4.2 M	60%
<b>Business Process/IT Improvements</b>	\$8 M	\$5.5 M	69%
<b>TOTALS</b>	<b>\$30 M</b>	<b>\$21.5 M</b>	<b>72%</b>






## How Goals will be Reached


- ✍ **Supply Chain - \$7 M**
  - Accomplishment: IV Pump contract renegotiation = \$424,000 savings this year w/ approximately \$4 M over the life of the contract
  - Challenge: Changing GPOs




## How Goals will be Reached

- ✍ **Productivity improvements - \$7 M**
  - Accomplishment: reduction in nurse travelers (from 140+ several months ago to 84)
  - Challenge: Contract labor costs house-wide






How Goals will be Reached

 **New/Improved Revenue = \$ 8 M**

- **Accomplishment:** Creating ‘transitional bed’ status for ED patients. Estimating \$1 M net revenue per year.
- **Challenge:** Point-of-Service Collections






How Goals will be Reached






 **Process/IT Improvements - \$8 M**


- **Accomplishment:** Implementing new business office software w/ \$475,000 net savings this year (net of start-up costs).
- **Challenge:** Clinical resource utilization





## Next Steps

-  **Continue to identify and quantify opportunities**
-  **Develop solutions to our challenges**
-  **Meet w/ OMB to agree upon budget impact and timing**
-  **Plan for continued implementation**
-  **Recruit talent**



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